TRIBAL CARS ACCOUNTING REPORTS MANUAL

GENERAL INFORMATION

The Community Aids Reporting System (CARS) is the system for processing contracts and reimbursing expenses for local agencies. The system calculates non-county aid checks and grant-in-aid payments for state/county contracts each month. The system includes Human Services, DSS and 51 Board contracts, Child Support, Income Maintenance, and tribal contracts. The system records all expenditures from the county and non-county providers. It calculates amounts due and adjustments back to the State. It also generates reports for providers and counties under contract with the State.

The CARS payment process begins with a signed contract. DHFS program staff prepares and negotiates contracts with providers for services. The signed contracts are sent to the CARS Unit for entry into the CARS system at least one month before the first payment to a provider. Copies of the contracts must be in the CARS unit no later than the 5th of the month prior to the first month of the contract period in order to generate the first prepayment check for mailing. The CARS Unit reviews the contracts, keys, and proofs the information to ensure timely and accurate payments. Subsequent reimbursement payments are made by ACH.

Because of the time lag between when providers incur, report, and are reimbursed for the contract related costs, DHFS makes pre-payments for the first three months of most contracts. The pre-payments improve cash flow to the providers.

Providers must report costs incurred on monthly expenditure reporting forms by e-mail or regular mail. The expenditure reports are submitted to the CARS Unit. Reports are due on the 15th the month after the end of the month for which the report is being submitted. Then CARS staff executes monthly payment processing computer jobs. After the payment processing jobs are complete, the Bureau of Fiscal Services transmits payment data files to Department of Administration to cut checks. DHFS mails the checks to the providers.

The monthly DMT-603 reports provide detailed information on which program expenses are being reimbursed. Providers should reconcile costs recorded on their books to the expenditure reports at least quarterly (monthly is recommended). DHFS reconciles payments and reported expenditures when reimbursing the last three months of a contract. The effect of the reconciliation of payments and expenditures is to adjust pre-payments and others to actual amounts. Providers will receive additional payments, up to the contract limit, if reported expenditures exceed payments previously made.

If payments exceed reported expenditures, DHFS will record an amount due (account receivable) on the CARS system. The amount due will be collected against subsequent expenditure reimbursements. When payments and expenditures have been reconciled and all amounts due are collected, the contract is closed on the CARS system.

The information contained in this manual relates to Department of Health and Family Services (DHFS) programs. Chapter I includes general CARS information. Chapter II provides detailed instructions for reporting expenditures. Chapter III provides descriptions of each profile that is used by CARS for the State/Tribe contract. Chapter IV identifies the CARS output forms and explains how to read them. Updates to the manual will be issued as needed to tell you about CARS changes.